

# House Study Bill 573 - Introduced

HOUSE FILE \_\_\_\_\_

BY (PROPOSED COMMITTEE ON  
STATE GOVERNMENT BILL BY  
CHAIRPERSON VANDER LINDEN)

## A BILL FOR

1 An Act permitting the direct shipment of wine by a retailer of  
2 another state and making fees and penalties applicable.  
3 BE IT ENACTED BY THE GENERAL ASSEMBLY OF THE STATE OF IOWA:

1 Section 1. Section 123.183, subsection 3, Code 2016, is  
2 amended to read as follows:

3 3. The revenue collected from the wine gallonage tax on wine  
4 imported into this state for sale at wholesale and sold in this  
5 state at wholesale, and on wine subject to direct shipment as  
6 provided in [section 123.187](#) by a wine manufacturer or eligible  
7 wine retailer licensed or permitted pursuant to laws regulating  
8 alcoholic beverages in another state, shall be deposited in the  
9 beer and liquor control fund created in [section 123.17](#).

10 Sec. 2. Section 123.187, subsection 1, Code 2016, is amended  
11 to read as follows:

12 1. a. A wine manufacturer licensed or permitted pursuant to  
13 laws regulating alcoholic beverages in this state or another  
14 state or an eligible wine retailer may apply for a wine direct  
15 shipper license, as provided in [this section](#).

16 b. For the purposes of [this section](#), ~~a:~~

17 (1) "Eligible wine retailer" means a person licensed or  
18 permitted pursuant to laws regulating alcoholic beverages in  
19 another state to sell and ship wine out of the state.

20 (2) ~~"wine "~~"Wine manufacturer" means a person who processes  
21 the fruit, vegetables, dandelions, clover, honey, or any  
22 combination of these ingredients, by fermentation into wines.

23 Sec. 3. Section 123.187, subsection 2, paragraphs a and c,  
24 Code 2016, are amended to read as follows:

25 a. The administrator shall issue a wine direct shipper  
26 license to a wine manufacturer or eligible wine retailer who  
27 submits an application for the license electronically, or in a  
28 manner prescribed by the administrator, accompanied by a true  
29 copy of the manufacturer's or eligible wine retailer's current  
30 alcoholic beverage license or permit and, if applicable, a copy  
31 of the manufacturer's winery license issued by the federal  
32 alcohol and tobacco tax and trade bureau.

33 c. An application submitted pursuant to paragraph "a"  
34 shall also be accompanied by a bond in the amount of five  
35 thousand dollars in the form prescribed and furnished by the

1 division with good and sufficient sureties to be approved by  
2 the division conditioned upon compliance with [this chapter](#).  
3 However, a wine manufacturer or eligible wine retailer that  
4 has submitted a bond pursuant to section 123.175, subsection  
5 3, shall not be required to provide a bond as provided in this  
6 paragraph.

7 Sec. 4. Section 123.187, subsection 6, paragraph c, Code  
8 2016, is amended to read as follows:

9 c. An alcohol carrier licensee shall maintain records of  
10 wine shipped which include the license number and name of  
11 the wine manufacturer or eligible wine retailer, quantity of  
12 wine shipped, recipient's name and address, and an electronic  
13 or paper form of signature from the recipient of the wine.  
14 Records shall be submitted to the division on a monthly basis  
15 in a form and manner to be determined by the division by rule.

16 EXPLANATION

17 The inclusion of this explanation does not constitute agreement with  
18 the explanation's substance by the members of the general assembly.

19 This bill allows a wine retailer licensed or permitted  
20 pursuant to laws regulating alcoholic beverages in another  
21 state to sell and ship wine out of the state to obtain a wine  
22 direct shipper license pursuant to Code section 123.187 in  
23 the same manner as a wine manufacturer. The annual fee for  
24 this license is \$25. A wine direct shipper license allows a  
25 licensee to ship wine to a resident of this state who is at  
26 least 21 years of age, for the resident's personal use and  
27 consumption and not for resale.